

Virginia's Individual Development Accounts Program

September 26, 2011



VIDA

- Initially, funded solely by VDSS Maintenance of Effort funds (state's match to TANF)
- AFI funding in 2006
- Run two separate programs
 - Initially only homeownership for AFI
 - Business and education using MOE



Virginia's AFI Network Grant

- Collaborative effort *initially* focused on homeownership
- VACAP; VHDA; DSS; DHCD = AFI Management Team (AMT)
- VHDA supplies non-federal match for homeownership
- 2011 design change to offer all 3 goals under AFI
- DSS provides general fund match for biz and education



VHDA & DHCD & DSS & VACAP

- Long-standing relationships; regular partners
- Familiar with programs & resources
 - VHDA services DHCD's HOME loans; collaborate on housing projects that need a mix of financing
 - DHCD & DSS have partnered on IDAs and other issues since early 2000s
 - DSS contracts with VACAP to provide grants to free tax prep coalitions



Virginia's AFI Network Grant

- Interconnecting and leveraging missions
- DHCD's overall mission: partner to communities seeking to create better economic and homeownership opportunities for their citizens:



- Down payment assistance/Neighborhood
 Stabilization Program
- Micro-enterprise development -VEI
- Workforce development Communities for Opportunity



VIDA Overview

- More than 50 intermediaries
- Intermediaries are CAAs; housing non-profits; micro-development organizations
- 2 to1 match; up to \$2,000 in savings
- 2 years to complete (flexible depending on circumstances)
- 3 bank partners



VIDA Overview

- Second iteration of program design
- Centralized account management/virtual match assignment
 - VIDA built banking relationships to get statewide coverage
 - Intermediaries focus on TA, case management, training
 - Flexibility to re-assign match
 - Evaluation of savers progress



Outreach and Service Provision

Occur at local level

AMT helps make connections and connects the dots

 AMT offers tools to use: statewide news releases, brochures; events; radio shows





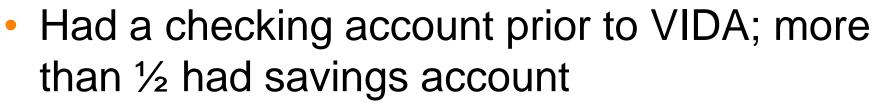
Our Typical Client

- No "targeted" population
- Female
- African American
- Between the ages of 20 to 40
- Single, never married OR divorced, separated (only 20 % are married)
- Full-time employment
- Some college or HS diploma or GED



Our Typical Client

- Single adult to household
- One to two children
- Urban
- Claimed EITC



- Uses about \$3,396 in matching funds
- TOTAL savings = \$500,000





Challenges

- Sole focus on housing
- Different assets funded by different programs; no easy fluidity
- Retention . . . recruitment of "ready" savers

Solutions

- Flexible nonfederal match & program design change
- Partner pipeline development; pre-IDA savings



Successes

- Richmond saver started homeownership in 2009 (NVNV)
- Switched to business & graduated in 7/11
- IDA helped buy materials etc. to expand his small biz
- Design company serving nonprofit & green building industries
- Has cerebral palsy



Successes

- Roanoke homeownership saver started in 2010 (TAP)
- Single mom with 1 child; CNA ~ \$9.50
- "My daughter and I will have a place to call home for the rest of our lives"
- Saved \$2,000 & bought her 1st home eight months later
- "Blessed"



Questions?

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